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FOR IMMEDIATE RELEASE

**SURCHAREGES LOWERED AND
WIRELESS TELEPHONES REACH MILESTONE**

LINCOLN – Two telecommunications surcharges were lowered, and wireless telephones usage reached a Nebraska milestone by surpassing the number of landline telephone users this year.

The Nebraska Public Service Commission's annual Telecommunications Report to the Legislature notes that on October 1, 2005, the Commission lowered the Nebraska Universal Service Fund surcharge from 6.95% to 5.75% per month. The NUSF provides funds for telecommunication services in high cost rural areas. The Nebraska Telecommunications Relay Service monthly surcharge was reduced from seven cents to five cents per line. The relay service makes it possible for Nebraskans with hearing and speech impairments to use telecommunications. The service handled an average of 17,250 calls per month.

Wireless telephone usage was nearly equal to the number of lines providing traditional telephone service at the end of the 2005 calendar year. Commission Chairman Lowell Johnson of North Bend, in an introductory letter to state senators, said, "The number of cell phones exceeded the number of landline telephones during the fiscal year which ended June 30, 2006." At that time, wireless telephones claimed 54 percent of the combined wireless and wireline market, the first time wireless telephones held a majority share in Nebraska.

Johnson said the new report, which is available online from the Commission's website (<http://www.psc.state.ne.us>), highlights several facets of Nebraska telecommunications in addition to reports on national leadership roles taken by the Commission on number pooling and area code exhaust relief. "Both of these items are important to Nebraskans," Johnson said.

Among other highlights:

-- Competitive local telephone companies as a group now serve more landline telephones than the state's largest single incumbent local exchange carrier.

-- The Nebraska Internet Enhancement Fund (NIEF) completed its first round of grants with five successful projects. "Solicitations for new projects to extend Internet access to underserved areas of the state have been requested," Johnson said.

-- The Nebraska Telephone Assistance Program has 27,000 Nebraska customers enrolled in the program, which reduces monthly telephone bills by up to \$13.50 and provides assistance with connection charges as well.

-- The wireless E-911 program began funding the development of databases necessary to support Phase II E-911 as well as continuing the implementation of Phase I technology in cooperation with county programs.

-- The Commission supported legislation that changed state law to unburden Nebraskans from a requirement to pay all costs for implementation of Phase II E-911.

Johnson, who announced in January that he would not seek re-election to a third term on the Commission, said the climate surrounding the work of the Commission has changed dramatically over the years. "The Public Service Commission brings stakeholders together to resolve concerns and problems. In the performance of this responsibility, the Commission serves as a liaison between state government represented by the executive and legislation branches, the telecommunications providers, and the public for which everything is done."

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